

# Executive Summary and Recommendations

**Title of Report:**    **New Executive Arrangements**

**Date:**    **24 February 2009**

## **1. Summary of this Report**

- 1.1 This report informs Members of the need to decide during the course of 2009 on a new executive model and of the proposals which will need to be drawn up in this respect for consultation purposes prior to a decision being taken.
- 1.2 The relevant provisions are set out in the Local Government and Public Involvement in Health Act 2007 which built on the 2005 White Paper “Strong and Prosperous Communities” setting out the Government’s case for further reforms to local government leadership arrangements. Although the new political management arrangements introduced by the Local Government Act 2000 facilitated visible and effective leadership, there was a view that many local authorities had adopted a cautious approach to change with only a small number introducing elected Mayors.
- 1.3 The City Council must therefore make changes to its current executive arrangements and decide whether it wishes to move to a new model of governance with a directly elected Mayor or to vary the current arrangements to comply with the requirements of the 2007 Act. However, as explained in the report, the extent to which the City Council is obliged to amend its current arrangements is extremely limited and, if minimal change is preferred, would permit the City Council to continue to operate in a very similar way to that in which it currently operates.
- 1.4 The report suggests there is little evidence that residents would like major changes to executive arrangements and that therefore consultation should take place on the basis of limited change.

## **2. Recommendations**

- 2.1 That officers be authorised to consult on the options set out in the report.
- 2.2 That the consultation as outlined in paragraph 3.11 and 3.12 of the report, be agreed.
- 2.3 That the formal approval timetable associated with this process, as set out in paragraph 3.13 be approved.



City of Westminster

## General Purposes Committee

Item No:	
Date:	24 February 2009
Classification:	For General Release
Title of Report:	New Executive Arrangements
Report of:	Head of Legal Services
Wards involved:	Not applicable
Policy context:	Management of the Council
Financial summary:	There are no financial implications
Report Author:	Ron Cork
Contact details	020 7641 3132 Email: rcork@westminster.gov.uk

### **3. Background**

- 3.1 The Local Government Act 2000 (LGA 2000) radically changed the decision making structures of local government in England by requiring local authorities to adopt new political management arrangements, specifically one of three models: (1) Leader and Cabinet, (2) directly elected Mayor and Cabinet and (3) directly elected Mayor and Council Manager.
- 3.2 The Local Government and Public Involvement in Health Act 2007 amends the LGA 2000 so that only two models of executive are permissible, namely (1) Leader and Cabinet or (2) directly elected Mayor and Cabinet.
- 3.3 The Leader and Cabinet model under the 2007 Act differs slightly from what the new Act calls the “old style” Leader and Cabinet model. The main differences are:
  - (a) under the “old style” arrangements a Leader could be “strong” or “weak”. With a “strong” Leader the Cabinet is appointed by the Leader. With a “weak” Leader the Cabinet is appointed by the full Council. Under the 2007 Act, the Cabinet must be appointed by the Leader.
  - (b) under the “old style” arrangements it was possible for the Constitution to make provision with respect to the allocation of executive functions – that is to say the Constitution could specify the terms of reference of the Leader, the Cabinet and individual Cabinet Members. In the absence of such provision made by the full Council through the Constitution, those matters were for the Leader to decide. Under the 2007 Act it is for the Leader to decide these matters, ie the position is therefore now the same for a Leader and a directly elected Mayor.
  - (c) under the “old style” arrangements the Constitution “may include provision with respect to...the election and term of office of the executive leader” – that is, the Leader’s term of office is for the full Council to decide when approving the Constitution. Under the 2007 Act the Leader’s term of office (in the case of a local authority operating whole-council elections) is four years.
- 3.4 The City Council currently operates the “old style” arrangements. Under these arrangements:
  - (a) we have a “strong” leader.
  - (b) our Constitution provides for the full Council to set the terms of reference for the Leader, the Deputy Leader and the Cabinet itself, but leaves it to the Leader to set the terms of reference for the other Cabinet Members.
  - (c) our Constitution provides for the Leader’s term of office to be four years.

- 3.5 The extent to which the City Council is obliged to amend its arrangements to comply with the 2007 Act is therefore extremely limited. In essence, the Council only needs to make amendments to the Constitution to widen the Leader's power to allocate responsibility for executive functions, by giving the Leader the power to determine his own terms of reference, and those of the Deputy Leader and the Cabinet.
- 3.6 Another option, only operated currently by 12 authorities, is the directly elected Mayor. Once in office, there is little between what a new "strong" leader and an elected Mayor can do. The fundamental difference is that an elected Mayor is not a Councillor. He or she does not have an electoral ward to represent and would work full time as Mayor. A directly elected Mayor of the City Council would be elected by the voters of Westminster as a whole and would have a mandate from them to deliver his or her election programme. Having set out policies before taking office he or she would have more autonomy to deliver them than a Leader appointed by the Council and could retain executive powers personally in order to drive them through. Since a Mayor is not appointed by the Council it is possible that he or she may not be a member of the majority group, or for that matter any political party. A Mayor would of course be reliant upon the Council to pass any budget that he or she proposed and would therefore need to work with Members to ensure that this could be agreed.
- 3.7 A Leader would, as now, be elected by the Council and so indirectly have the mandate of the Westminster electorate. A Leader would come to the role with the support of peers and would have already been working to build a consensus about the direction the Council should take. A leader is also a Councillor and as such would be required to combine his or her role with local work and in representing the views of his or her electoral division. In Westminster there is a significant risk that a directly elected Mayor would be confused with the largely ceremonial role of the Lord Mayor.
- 3.8 The relevant provisions in the 2007 Act came into effect on 31 December 2007, but the Act contains transitional provisions and the Council is not prevented from continuing to operate its "old style" arrangements until the end of the transitional period, which expires three days after the elections in 2010. However, the Council must pass a resolution to make a change in governance arrangements at a meeting of the full Council "which is specifically convened for the purpose of deciding the resolution with notice of the object" in the period ending on 31 December 2009.
- 3.9 The statutory obligations that the Council must complete before the end of this calendar year are set out in the Appendix to this report.
- 3.10 Essentially, the Council needs to decide on its preferred model and then consult before formal publication of the proposals. It is for the Council to decide what "reasonable steps" are required to consult, and, in deciding, what consultation is reasonable, can take into account how radical the proposals are, and the extent to which the Council has received any representations lobbying for change. The Council has to consider whether to have a

referendum but is not required to hold one, particularly if the final proposals do not represent significant change.

- 3.11 The original consultation on governance arrangements showed a relatively even split between the (at that time) three different governance options. The Council's continued high customer satisfaction ratings as well as no evidence of significant lobbying or debate about changes to governance structures suggest there is little public appetite for change. The issue was raised at the Westminster Amenities Societies Forum in November but attendees did not advocate change.
- 3.12 It is therefore proposed that it would be reasonable to undertake a limited consultation about minor changes to current arrangements to comply with the Act ie changes to the Leader's span of responsibility. This limited consultation could encompass a very short piece in the Area Forums Newsletters and in the Westminster Reporter or on the website, outlining the minor change and asking for any comments or views. The response would be reported to the General Purposes Committee and Council and formal publication of the Council's proposal would then take place.
- 3.13 In order to achieve the statutory deadline of approving new executive arrangements by the end of 2009, the following timetable is proposed:

**May/June:** Consultation carried out in accordance with the programme set out in paragraph 3.11 above.

**July:** Report to General Purposes Committee (1 July) setting out the results of the consultation in order that the Committee can make a recommendation to the full Council on 15 July 2009.

**August:** Formal publication of the Council's proposals.

**October/November:** Report to the General Purposes Committee (21 October) and Council (a special meeting on the rising of the scheduled meeting on 4 November) with the detailed constitutional changes required arising from the decision of the Council on 15 July 2009.

#### **4. Legal Implications**

- 4.1 These are set out in the body of the report.

<p>IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT: RON CORK ON 020 7641 3132</p>
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#### **Background Papers**

- Constitution.

**New Executive Arrangements – Process for varying arrangements as required by the Local Government Act 2000 taking account of new provisions inserted by the Local Government and Public Involvement in Health Act 2007**

- The Council must draw up proposals for the change.
- The proposals must include:
  - (a) a timetable with respect to the implementation of the proposals, and
  - (b) details of any transitional arrangements which are necessary for the implementation of the proposals.
- The proposals may provide for the change in governance arrangements to be subject to approval in a referendum.
- Before drawing up the proposals, the Council must take reasonable steps to consult the local government electors for, and other interested persons in, its area.
- In drawing up the proposals, the Council must consider the extent to which the proposals, if implemented, would be likely to assist in securing continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- After drawing up the proposals, the Council must:
  - (a) secure that copies of a document setting out the proposals are available at its principal office for inspection by members of the public at all reasonable times, and
  - (b) publish in one or more newspapers circulating in its area a notice which:
    - (i) states that the Council has drawn up the proposals;
    - (ii) describes the main features of the proposals;
    - (iii) states that copies of a document setting out the proposals are available at the Council's principal office for inspection by members of the public at such times as may be specified in the notice, and
    - (iv) specifies the address of the principal office.
- The Council must then pass a formal resolution at a special meeting of full Council and comply with the advertising and notice requirements.